

Executive Summary

Mission: The mission of the City of Lynchburg's Consolidated Plan for 2010 to 2015 is to obtain the Community Development Block Grant (CDBG) and HOME Program funds that are fundamental to attaining the priorities and objectives identified in the Plan, thereby contributing to the health, welfare and future viability of the City, and specifically in the concentrated targeted low-to-moderate income areas.

Since 1975 the City of Lynchburg, as an entitlement jurisdiction through the Department of Housing and Urban Development (HUD), has received annual allocations for the Community Development Block Grant (CDBG) Program. In 1994 the HOME Investment Partnerships (HOME) Program began and the City was designated as a participating jurisdiction and began receiving annual formula allocations through the HOME Program.

The City of Lynchburg, as an entitlement jurisdiction in the CDBG and HOME Program, is required by HUD to submit a consolidated plan every five years. The Consolidated Plan is a mandated document for receipt of Federal funds and is designed to be a collaborative process whereby the community establishes a unified vision for community development actions. It offers local jurisdictions the opportunity to shape the various housing and community development programs into effective, coordinated neighborhood and community development strategies. It also creates the opportunity for strategic planning and citizen participation to take place in a comprehensive context while reducing duplication of effort.

The Federal regulations set forth three basic goals against which HUD will evaluate the Consolidated Plan and the jurisdiction's performance under the plan. Each jurisdiction's plan must state how it will pursue these goals for all community development programs, as well as all housing programs. These statutory program goals are as follows:

- **Housing** - The housing programs are to provide decent housing which includes: assisting homeless persons obtain affordable housing; assisting persons at risk of becoming homeless; retaining the affordable housing stock; increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability; increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence; and providing affordable housing that is accessible to job opportunities.
- **Community Development** - The community development programs are to provide a suitable living environment which includes: improving the safety and livability of neighborhoods; eliminating blighting influences and the deterioration of property and facilities; increasing access to quality public and private facilities and services; reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods; restoring and preserving properties of special historic, architectural, or aesthetic value; and conserving energy resources and use of renewable energy sources.
- **Economic Development** - The economic development programs are to expand economic opportunities which include: job creation and retention; establishment, stabilization and expansion of small businesses (including micro-businesses); the provision of public services

concerned with employment; the provision of jobs to low-income persons living in areas affected by those programs and activities, or jobs resulting from carrying out activities under programs covered by the plan; availability of mortgage financing for low-income persons at reasonable rates using non-discriminatory lending practices; access to capital and credit for development activities that promote the long-term economic and social viability of the community; and empowerment and self-sufficiency for low-income persons to reduce generational poverty in federally assisted housing and public housing.

This is the third five-year Consolidated Plan prepared by the City of Lynchburg since 1995 when HUD adopted the Consolidated Plan Management Tool (CPMP) that provides a unified format for receiving and reporting the accomplishments of CDBG and HOME funds. This Consolidated Plan corresponds to the City's next five fiscal years, which begin July 1, 2010 and end June 30, 2015. The City anticipates that HUD will provide approximately \$1.4 million new funds annually. CDBG is expected to be the largest at \$1 million and HOME about \$400,000. The primary federal funding resources in the 2010-2015 Consolidated Plan are the following:

Community Development Block Grant (CDBG): The primary objective of this program is to develop viable urban communities by providing decent housing, a suitable living environment, and economic opportunities, principally for persons of low and moderate income levels. Funds can be used for a wide array of activities, including: housing rehabilitation, homeownership assistance, lead-based paint detection and removal, construction or rehabilitation of public facilities and infrastructure, removal of architectural barriers, public services, rehabilitation of commercial or industrial buildings and loans or grants to businesses.

HOME Investment Partnership Program (HOME): The HOME program provides federal funds for the development and rehabilitation of affordable rental and ownership housing for low and moderate income households. HOME funds can be used for activities that promote affordable rental housing and homeownership by low and moderate income households, including reconstruction, moderate or substantial rehabilitation, homebuyer assistance and tenant-based rental assistance.

The Consolidated Plan defines a specific course of action for meeting the community development and housing needs of the community. It is the means to analyze the full local context and the linkages to the larger region. It builds on local assets and coordinates a response to the needs of the community. It integrates economic, physical, environmental, community and human development in a comprehensive and coordinated fashion so that families and communities can work together and thrive. A strategic plan also sets forth program goals, specific objectives, annual goals, and benchmarks for measuring progress. In so doing, it helps local governments and citizens keep track of results and learn what works in a community.

This Plan was developed through a collaborative process whereby the City Council, Community Development Advisory Committee (CDAC), Public, City residents, and representatives of community organizations and agencies provided input on identifying the needs that the Plan will address and identified strategies for improving conditions in the target areas.

Following the approved Citizen Participation Plan for the CDBG and HOME Programs, and to ensure full participation by interested persons and groups, input was solicited through published

notices in the Lynchburg local newspaper, *The News and Advance*, the City's web site, and through written invitation to various organizations, non-profit groups, government agencies and churches.

CDAC conducted three public meetings to discuss and prepare the proposed goals for the Consolidated Plan. A public hearing was held by CDAC on December 16, 2009 and CDAC adopted the goals on January 7, 2010. On January 26, 2010 City Council conducted a public hearing and adopted the CDAC-recommended goals for the Plan.

In conjunction with the citizen participation process for the Consolidated Plan the funding requests for CDBG and HOME for Fiscal Year (FY) 2010-2011 were solicited concurrently with the public comments for the Plan. This process allowed the goals of the Plan to be used to direct priorities for the Annual Action Plan's upcoming fund distribution. Public hearings were conducted by CDAC and City Council on May 11, 2010 and June 8, 2010, respectively. On June 22, 2010 City Council discussed the recommendations of the CDAC. City Council made some revisions to the CDAC recommendations and approved the funding allocations at this meeting.

The following approved goals for housing and non-housing development constitute the priority needs stated in the Plan. These goals reflect the needs that historically have been the needs of the very low-, low-, and moderate-income persons living within the target census tracts. CDAC and City Council support the allocation of funds to achieve measurable results for both public and non-public services and notably supports assisting individuals with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons. The goals are to:

Housing Goals

- Increase the number of owner-occupied units.
- Rehabilitate substandard housing units. Emphasis is to be placed on programs that require an investment of funds and/or labor on the part of the owner commensurate with the owner's resources.
- Support initiatives to increase permanent affordable rental and housing ownership opportunities.
- Support programs that assist individuals in retaining their homes in challenging economic times.

Non-Housing Goals

- Eliminate neighborhood deterioration, blight and blighting influences.
- Support the organized efforts in neighborhoods to leverage their resources to improve and sustain community livability and services.
- Support economic development efforts which will expand job opportunities and retention.
- Promote activities which support the healthy development of the City's at-risk youth, adults and families.

The City of Lynchburg's Consolidated Plan focuses on the geographic area in which the greatest indicators of distress exist. These are the central city neighborhoods that surround the downtown business district and are the seven contiguous census tracts that comprise the CDBG target area: Census Tracts 4, 5, 6, 7, 11, 12, and 13. Population demographics and surveys of these neighborhoods show that they have the highest degree of housing need and are where many of the City's very low- and low-moderate-income persons reside.

There is a concern regarding low-income residents from the surrounding counties moving into the City for housing and service needs. It is not the intent of this plan to accommodate such relocations. Instead, the City is committed to working with surrounding localities toward regional solutions for low-income residents.

The area median family income (AMFI) in 2000 in Lynchburg was \$32,234. Residents of the target area earned incomes at or below 60% of the AMFI. The predominant race in the target area is African-American. There is a high incidence of rental units in these tracts. Indications of housing cost-burdens, overcrowding, substandard conditions and the presence of boarded/vacant units predominate in these neighborhoods.

Although there are many public and private resources assisting residents of these neighborhoods in meeting their housing and community development needs, the goals of City Council are far from achieved. Current market conditions and available resources are documented in the Plan and the service and housing providers identified, many of whom receive funds from the CDBG and HOME programs. The Plan lays out specific objectives that are designed to reach the goals and that provide quantifiable benchmarks for review during the subsequent yearly process of the Action Plan.

An overriding objective stated in the Plan is to maximize existing partnerships between the private and public sector so that City funds will continue to be leveraged with outside resources. It is through such collaborative efforts that the citizens of Lynchburg can address housing and non-housing needs where they are felt the greatest. Other objectives include:

- 1) setting an optimum balance in neighborhoods where 70% are owner-occupants;
- 2) placing a priority on helping existing owners maintain their homes;
- 3) coordinating services with housing, assisting individuals with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons.
- 4) preserving existing housing by identifying appropriate present uses for structures and by applying available resources, such as tax credits, for low-income and for historic renovation;
- 5) continuing the rental inspection program; and
- 6) coordinating the City's downtown revitalization efforts with housing improvement efforts in the target area.

The City's past performance in the administration and implementation of the CDBG and HOME Program has met the intent of the federal legislation creating these programs.

Through years of effective planning, partnership and monitoring, Lynchburg has facilitated affordability for decent housing, availability and accessibility to a suitable living environment, sustainability of a suitable living environment and accessibility to economic opportunities. The following is a summary of the City's past performance as reported by HUD in an Annual Assessment for overall performance for Program Year 2008. According to HUD's assessment of the City's performance in Program Year 2008, the City met or exceeded regulatory expectations in regard to the following:

- Serving low and moderate income persons

100% of Lynchburg's CDBG aggregate allocation (\$648,552) was used for activities that benefited LMI persons within the City well above the minimum threshold of 70% set in 24 CFR 570.901(a).

- Mandated budget category caps

8% of Lynchburg's CDBG allocation was spent on planning and administration, under the maximum of 20% allowed according to 24 CFR 570.206(g).

12% of Lynchburg's CDBG allocation funded public service activities, under the maximum of 15% mandated by 24CFR 570.201(e).

Timeliness

HUD determined that Lynchburg carried out its CDBG-assisted activities in a timely manner, with 1.49 times the entitlement grant amount for the current program year in the line of credit 60 days prior to the year's conclusion, within the statutory requirements of 24 CFR 570.902.

HUD stated that the City's overall performance provided a very comprehensive account of how its Program Year 2008 HUD funds were expended and what was accomplished. The City identified each goal as contained in the 2005-2010 Consolidated Plan and provided information on the amount of CDBG and/or HOME funds that were expended and what was accomplished for each corresponding activity.

For the initial year of the 2010-2015 Consolidated Plan, the City will receive \$904,817 in CDBG entitlement funds and \$467,942 in HOME program funds. Along with these funds, reprogrammed funds, program income, and offsetting adjustments (\$136,019) the following projects will be implemented:

CDBG Program

NAME	Allocation Amount
Bluffwalk Section 108	\$310,283.00
City Administration	125,979.00
LRHA Administration	43,545.00
LRHA Delivery-Rehabilitation	14,479.00
LRHA Delivery-Disposition	14,479.00
LRHA Delivery-Acquisition	96,455.00
LRHA Spot Blight	80,000.00
Fifth Street CDC - City	100,000.00
Lyn-Cag Housing Improvement	70,000.00
Rebuilding Together	70,000.00
Virginia University	14,319.55
YWCA-Town Center	4,000.00
Camp Kum Ba Yah	20,000.00
The Gateway House, Inc.	25,000.00
Interfaith Outreach	5,000.00
Miriam's House	20,000.00
United Way, Smart Beginnings	10,722.55
YWCA-DVPC	25,000.00
Totals	\$1,049,262.10

HOME Program

NAME	Allocation Amount
City Administration	\$16,353.00
Greater Lynch Habitat Humanity	65,000.00
Lyn-Cag CHDO-Homebuyer	75,000.00
Lyn-Cag Substantial Rehab	150,000.00
LNDF CHDO Hilltop Homes	48,163.32
LNDF Tinbridge Hill	105,000.00
Totals	\$459,516.32

The City of Lynchburg realizes that it cannot meet all the housing and community development needs contained with this Plan. The responsibilities for these efforts must be shared among all facets of the community. The City will make every effort to direct federal, state, and other funds for community development and housing into projects and activities that will best achieve the goals of the Plan.

For more information or to submit comments regarding this Consolidated Plan, please contact Melva Walker, Grants Manager, at (434) 455-3916; 900 Church Street, Lynchburg, VA 24504; or email at: melva.walker@lynchburgva.gov

